STATEMENT OF

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BEFORE THE

HOUSE COMMITTEE ON VETERANS' AFFAIRS SUBCOMMITTEE ON ECONOMIC OPPORTUNITY

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Good morning, Mr. Chairman, Ranking Member Takano, and other Members of the Subcommittee, I am pleased to be here today to discuss the Department of Veterans Affairs' (VA) efforts to implement the provisions of Executive Order (EO) 13607, "Establishing Principles of Excellence for Educational Institutions Serving Service Members, Veterans, Spouses, and Other Family Members," and Public Law (PL) 112-249, "Improving Transparency of Education Opportunities Act of 2012." We are committed to ensuring that VA's education benefits provide access to high-quality educational opportunities that will enhance beneficiaries' ability to meet their academic and career objectives. The actions required by EO 13607 and PL 112-249 align with these objectives and reaffirm our commitment to ensuring Servicemembers, Veterans, and their dependents are well served by these programs. My testimony today will highlight VA's progress toward implementing EO 13607 and PL 112-249.

Executive Order 13607

Issued by the President on April 27, 2012, EO 13607 directs VA, the Department of Defense (DoD), and the Department of Education (ED), in consultation with the Department of Justice (DOJ) and the Consumer Financial Protection Bureau (CFPB), to develop and implement "Principles of Excellence" to strengthen oversight, enforcement, and accountability within Veteran and military educational benefit programs.

These principles apply to educational institutions receiving funding from Federal military and Veterans educational benefit programs, including benefits provided under the Post-9/11 GI Bill. The principles will ensure that educational institutions provide meaningful information to Servicemembers, Veterans, spouses, and other family members about the cost and quality of educational institutions. The principles will also assist prospective students in making choices about their Federal educational benefits; prevent abusive and deceptive recruiting practices that target the recipients of Federal military and Veterans' educational benefits; and ensure that educational institutions provide high-quality academic and student-support services to Servicemembers, Veterans, and their families.

Immediately after EO 13607 was signed, VA began outreach efforts to disseminate the EO to educational institutions as well as other key stakeholders (including Veterans Service Organizations [VSOs] and higher education representatives). We sent letters through the State Approving Agencies (SAA) and VA's Education Regional Processing Offices (RPO) to educational institutions to strongly encourage participation and compliance with the provisions of the EO. VA, DoD, and ED conducted three joint webinars in June 2012 for over 2,000 participants to

introduce and explain the various aspects of the EO and to address questions and concerns from educational institutions. To further encourage participation, we recently targeted outreach efforts to the *US News & World Report* top 107 educational institutions and to approximately 300 educational institutions, which each have more than 250 Veterans enrolled. I am pleased to report that 6,282 campuses have voluntarily agreed to comply with the Principles of Excellence as of May 29, 2013. These institutions are listed on our GI Bill Web site.

VA is developing a Comparison Tool/GI Bill Benefit Estimator that will enable prospective students to compare educational institutions using key measures of affordability and value through access to school performance information, and consumer protection information.

VA placed a link to ED's College Navigator on the eBenefits website in November 2012. VA subsequently embedded ED's College Navigator into the GI Bill Web site in March 2013. As a long-term plan, VA will integrate data from ED's College Navigator with data from VA's Web-Enabled Approval Management System (WEAMS) to calculate tuition and fees, monthly housing allowance, and books and supplies estimates. The tool will include indicators on graduation rates, retention rates, loan default rates, average student loan debts, Veteran population, Yellow Ribbon Program and Principles of Excellence participation, as well an estimated cost of attendance. We anticipate this tool will be available on the GI Bill Web site and www.eBenefits.va.gov by April 2014.

In addition, VA in conjunction with our partners at DoD, ED, CFPB, and DOJ, is developing student-outcome measures that are comparable, to the extent practicable,

across Federal educational programs and institutions. We have vetted a set of proposed measures with VSOs and school organizations, and received positive feedback. VA, in collaboration with DoD and ED, will finalize the cohorts, definitions, and measurement points at the end of June 2013. We will coordinate with other government agencies to determine availability of data for post-graduation outcome measures in July 2013. Finally, VA will begin collecting data elements from our stakeholders in August 2013.

EO 13607 also requires VA and DOD, in consultation with ED, CFPB, and DOJ, to collaborate on the creation of a centralized complaint system for individuals to register complaints about educational institutions regarding topics such as student loans, quality of education, refund policies, and post-graduation job opportunities.

Complaints will be received, processed, responded to, and ultimately transmitted to the Federal Trade Commission's (FTC) Sentinel database to make the information available to other federal agencies, law enforcement organizations, and SAAs. VA is developing a complaint form that will be made available electronically through the GI Bill Web site.

Once complaints are received, VA will review and triage them. Valid complaints will be sent to schools or employers for a response, as well as to the FTC's Consumer Sentinel Network. VA will expand the compliance survey program to incorporate both standard reviews and risk-based program reviews to ensure compliance with the Principles of Excellence at institutions who have agreed to comply.

Public Law 112-249

PL 112-249 was enacted on January 10, 2013, and much within the new law overlaps and complements the work begun in support of EO 13607. PL 112-249 requires VA to develop a comprehensive policy to improve outreach and transparency to Veterans and Servicemembers through the provision of information on IHLs and to implement online tools to facilitate the policy. The law also requires VA to develop a policy and plan for promoting Chapter 36 educational and vocational counseling to Veterans and recently separated members of the Armed Forces; develop a centralized mechanism for tracking and publishing feedback from students and SAAs regarding the quality of instruction, recruiting practices, and post-graduation employment placement of IHLs; and develop a policy and plan to disapprove any IHL that provides any commission, bonus, or other incentive payment based directly or indirectly on success in securing enrollments or financial aid to any persons or entities engaged in any student recruiting or admission activities or in making decisions regarding the award of student financial assistance. VA was required to perform two market surveys related to academic readiness and commercially available off-the-shelf, online comparison tools.

To implement PL 112-249, VA is partnering with ED, DoD, CFPB, and the National Association of State Approving Agencies. As required by this law, VA submitted a report to Congress in April 2013 that includes a description of the comprehensive policy, our plan to implement the policy, and the results of the market surveys conducted to determine the availability of commercially available off-the-shelf online tools. The report is available on the GI Bill website.

As a result of the market surveys, VA plans to pilot an online assessment tool called CareerScope® that allows a Veteran or Servicemember to assess whether he or she is ready to engage in postsecondary education and determine his or her likely vocational aptitude. VA conducted another market survey for an online tool that provides a Veteran or Servicemember with a list of providers of postsecondary education and training opportunities based on specific postsecondary education criteria selected by the individual. We discovered that many online tools provide much of the required information; however, none of the Web sites provide all the data required in the law. As a result, VA will build a tool that aggregates information from existing websites to provide all data, which will be hosted on gibill.va.gov and eBenefits.

To promote Chapter 36 educational and vocational counseling (provided under 38 U.S.C. § 3697A), VA will increase awareness and inform eligible participants about Chapter 36 counseling services, including how to determine an appropriate degree program and the education benefit program most appropriate for their individual circumstances. VA will facilitate applications for interested eligible participants as a part of the redesigned Transition Assistance Program (TAP) process. VA is also promoting Chapter 36 counseling services through the VetSuccess on Campus programs at more than 35 schools. In addition, we will provide information about Chapter 36 counseling services to our stakeholders, including other federal agencies, VSOs, School Certifying Officials, SAAs, and other private-sector entities that provide information and guidance to Veterans and Servicemembers about VA educational benefit programs. Title 38, section 3697, chapter 36, currently authorizes payments not to exceed \$6 million in any FY for vocational and educational counseling. VA submitted a FY 2014 legislative

proposal to increase the amount to \$7 million. By FY 2014, VA expects a substantial increase in requests for these counseling services due to vocational assessments required for VA's collaboration with DoD's Integrated Disability Evaluation System, VetSuccess on Campus program, and the ongoing modernization of the Transition Assistance Program in conjunction with the current military drawdown. PL 112-249 provides a process for acquiring the necessary information and the guidelines for communicating with IHLs. It also specifies that VA efforts should not duplicate the efforts being taken by other Federal agencies. It further specifies that VA's comprehensive policy must be consistent with the requirements and initiatives resulting from EO 13607.

The Cost of Postsecondary Education and the Increase in Non-college Degree Programs

VA's focus, through implementation of the EO and PL 112-249, is to do everything possible to ensure Veterans and family members are comprehensively informed consumers, so they are able to pursue an approved program of education at the academic institution – public, private non-profit, or private for-profit – that best meets their specific needs. As part of the VOW to Hire Heroes Act of 2012, which made TAP mandatory for all separating Servicemembers, VA worked with our partners at DoD and ED to redesign the curriculum. The new TAP Goals, Plans, and Success (Transition GPS) has several new components – notably, an optional track, called Accessing Higher Education, which is dedicated to providing information on education and/or training opportunities, which includes VA education benefits. As part of the curriculum,

Servicemembers will receive pre-separation counseling and register for an eBenefits account.

New Education Benefit Programs

Also, as the Subcommittee is well aware, in the past five years, VA has implemented two new education benefit programs aimed at increasing educational opportunities for Veterans, Servicemembers, and their dependents. The Post-9/11 GI Bill, implemented by VA on August 1, 2009, is the most comprehensive education benefit package since the original "GI Bill" was signed into law in 1944. As of June 6, 2013, over 977,000 Veterans, Servicemembers, and their dependents have received approximately \$29.4 billion in benefits under this new education program. In fiscal year (FY) 2012, VA provided education benefits to nearly one million Veterans, Servicemembers, and dependents under all our educational benefit programs.

To further increase the educational options available to our beneficiaries, Public Law 111-377, the Post-9/11 Veterans Educational Assistance Improvements Act of 2010, made changes to the types of training approved for benefits under the Post-9/11 GI Bill. Effective on October 1, 2011, the Post-9/11 GI Bill was expanded to include non-college degree programs, such as on-the-job training, vocational flight training, and correspondence courses.

The Veterans Retraining Assistance Program (VRAP) (section 211 of Public law 112-56), which became law on November 21, 2011, and which is our newest education benefit program, focuses on offering certain Veterans the opportunity to train in non-traditional, postsecondary education by requiring the training be completed at a

community college or technical school and lead to an associate degree, certificate, or other record of completion in a high-demand field. In addition, SAAs are contracted to perform outreach regarding available programs of education, including apprenticeship and on-the-job training programs. VA began accepting applications for VRAP on May 15, 2012, to help retrain those hit hardest by unemployment – Veterans aged 35 to 60. As of June 6, 2013, over 51,000 unemployed Veterans have received \$317.2 million in benefits under VRAP.

Conclusion

VA has worked with key stakeholders to help ensure that Veterans utilizing their education benefits are paid in a timely and accurate manner. Through further continuing interagency cooperation and student outreach, VA will ensure that Veterans are informed consumers and that schools meet their obligations in training this Nation's next "greatest generation."

Mr. Chairman, this concludes my statement. I would be happy to answer any questions you or the other Members of the Subcommittee may have.